

REMARKS/ARGUMENTS

The present amendment is submitted in response to the Office Action dated July 14, 2005. In the Office Action, claims 1-20 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Apgar IV (U.S. Patent No. 5,680,305) in view of Ruffin et al. (U.S. Patent No. 6,675,149).

With respect to the rejection of independent claims 1 and 17 under 35 U.S.C. § 103(a) as being unpatentable over Apgar IV and Ruffin, Applicants respectfully submit that the claims, as written and amended, distinctly define the claimed subject matter in view of the cited references. Assuming that one having ordinary skill in the art could somehow have combined the disparate references applied by the Examiner, the resultant combination lacks critical features positively recited in the amended claims.

Applicants respectfully reiterate that the present invention relates to evaluating financing structures in relation to a real estate asset for the procurement of the real estate asset by an entity, such as by ownership, leasehold or other control structures. For example, financing structures may include, but are not limited to, purchase of the real estate such as with corporate funds, debt, via a real estate investment trust, or via a partnership or joint venture with another individual or entity. Likewise, an individual may lease real estate such as via a short-term lease, a long-term lease, a credit sale and lease back, a tax-motivated leveraged lease or a synthetic lease, for example. *See* Specification, pp. 1, 2.

As detailed in the previous response, Apgar IV fails to teach or even remotely suggest a method or system for evaluating real estate financing structures to determine the best or optimal way to procure the real estate, but instead relates to a system and a method

of evaluating the condition of real estate. For example, Apgar IV is best summarized by its

Abstract:

Systems and methods of the invention provide objective evaluations of a business entity's real estate situation and condition for use by customers including (but not limited to) the business entity.

Moreover, Apgar IV teaches compiling a score, including indicators such as Amount, Price, Grade, Area and Risk, which directly relate to the condition of the real estate. Apgar IV teaches compiling the indicators to generate a single score:

Preferably, each of the five indicators is scaled for a total score of 10. . . . For example, a score of 5 or below generally highlights the need for the Business Entity's management to focus on real estate issues.

Col. 7, lines 3-8. The present invention, however, compiles total scores for a plurality of financing structures. When compared against each other, the financing structure with the highest score is rated as the optimal financing structure for the real estate asset. In essence, Apgar IV teaches systems and methods for evaluating whether to procure real estate, not how best to procure the real estate, as in the present invention.

The Examiner argues that Apgar IV discloses systems and methods of the present invention. Specifically, the Examiner argues:

Re. Claims 1 and 17, Apgar discloses systems and methods of the invention [including] evaluating the indicator values for the financial data and the non-financial data to get a total score for each financing structure with the computer [Abstract; Figure 21; C5 L20-L31], and outputting the total scores for each financing structure to compare the total scores of for each financing structure [C21 L64 to C22 L19; C31 L14 to C32 L32].

Office Action, July 14, 2005, pp. 2-3 (emphasis added). The Examiner, therefore, argues that Apgar IV relates to financing structures. Applicants respectfully but strenuously submit that Apgar IV simply does not teach or even remotely suggest anything having to do with evaluating financing structures. While the Examiner provides citations purported

to show this element, neither these citations, nor any other disclosure in Apgar IV, relates to evaluating financing structures for the procurement of a real estate asset as defined in independent claims 1 and 17. Specifically, the citations provided by the Examiner fail to teach or even remotely suggest that indicator values are utilized to get a “total score for each financing structure” as argued by the Examiner. Apgar IV does not even mention evaluating financing structures for the procurement of real estate assets.

Ruffin et al., which the Examiner cites in conjunction with Apgar IV, acknowledges that Apgar IV fails to relate to evaluation of real estate financing structures, but to the condition of the real estate itself:

U.S. Pat. No. 5,680,305 covering a System and Method for Evaluating Real Estate, teaches providing a quantitative evaluation of a real estate interest owned by a business entity via the processing of numerical data assigned to various real estate valuations such as utilization indices, and revenues of the entity owning the property to calculate a score attributable to the property, which reflects a quantitative evaluation of the real estate.

Ruffin et al., col. 2, lines 60-67 (emphasis added). As noted by Ruffin et al., Apgar IV relates to the quantitative evaluation of the real estate itself, not real estate financing structures. Therefore, it would not have been obvious to someone skilled in the art to combine Apgar IV with Ruffin et al. to arrive at the claimed invention – evaluating financing structures.

Specifically, Ruffin et al. fails to supply the missing elements of independent claims 1 and 17. Ruffin et al. provides no teaching or disclosure relating to evaluating real estate financing structures as defined in independent claims 1 and 17.

The Examiner argues:

It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of Apgar and

Ruffin to generate outputs as a proposal based on evaluations for a given property and generate a set of solutions.

Office Action, July 14, 2005, p. 3.

Applicants respectfully submit that the Examiner has unnecessarily simplified the invention claimed by the Applicants in independent claims 1 and 17. The Examiner fails to recognize that the invention does not merely relate to “generat[ing] outputs as a proposal based on evaluations for a given property and generat[ing] a set of solutions.” Instead, the present invention specifically defines evaluating real estate financing structures to obtain an optimal financing structure for the procurement of the real estate asset. Neither Apgar IV nor Ruffin et al. teach or disclose these elements. Moreover, the combination of Apgar IV and Ruffin et al. further fails to teach or suggest these elements.

To establish *prima facie* obviousness of a claimed invention, all claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981 (CCPA 1974). Applicants respectfully submit that the Examiner has failed to establish a *prima facie* case of obviousness in combining Apgar IV with Ruffin et al. because all of the claim limitations are not taught or suggested by either Apgar IV or Ruffin et al., any combination of the two, or any other cited references, taken alone or in combination. Therefore, the rejection is improper and should be withdrawn.

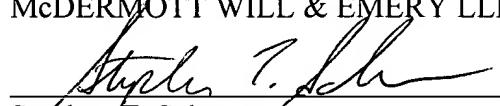
Claims 2-16 depend from independent claim 1; and claims 18-20 depend from independent claim 17. These claims are further believed allowable over the references of record for the same reasons set forth above with respect to their parent claims since each sets forth additional steps and components of Applicants novel method and system, respectively.

CONCLUSION

In view of the foregoing remarks, Applicants respectfully submit that all of the claims in the application are in allowable form and that the application is now in condition for allowance. If, however, any outstanding issues remain, Applicants urge the Examiner to telephone the Applicants' attorney so that the same may be resolved and the application expedited to issue. Applicants respectfully request the Examiner to indicate all claims as allowable and to pass the application to issue.

Respectfully submitted,

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